



ENTERED
TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

United States Bankruptcy Judge

Signed April 14, 2011

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re: § CASE NO. 10-47176
REOSTAR ENERGY CORPORATION, § (Chapter 11)
ET AL., §
Debtors. § (Jointly Administered)

**ORDER GRANTING(A)DEBTORS' MOTION TO
APPROVE POST-PETITION UNSECURED LOAN BY INSIDER, NUNC
PRO TUNC AND (B) FIRST AMENDED DEBTORS' MOTION TO
APPROVE POST-PETITION UNSECURED LOAN BY INSIDER,
NUNC PRO TUNC**

Before the Court is REOSTAR ENERGY CORPORATION, and its affiliated debtors'
(collectively, the "**Debtors**"), (a) *Motion to Approve Post-Petition Loan by Insider, Nunc Pro
Tunc* and (b) *First Amended Motion to Approve Post-Petition Loan by Insider, Nunc Pro Tunc*

**O R D E R G R A N T I N G (A) D E B T O R S ' M O T I O N T O
A P P R O V E P O S T - P E T I T I O N U N S E C U R E D L O A N B Y I N S I D E R , N U N C
P R O T U N C A N D (B) F I R S T A M E N D E D D E B T O R S ' M O T I O N T O
A P P R O V E P O S T - P E T I T I O N U N S E C U R E D L O A N B Y I N S I D E R ,
N U N C P R O T U N C — P a g e 2**

(collectively, the "**Motions**").¹ Having consider the Motions at a hearing held before the Court on April 6, 2011 (the "**Hearing**"), finding that the Court has jurisdiction to consider the Motions, that due notice and opportunity to be heard in connection with the Motions was afforded all parties-in-interest, that the Motions seeks relief which is in the best interests of the bankruptcy estate and its creditors, and considering argument of counsel and any evidence submitted for and in opposition to the Motions at the Hearing, if any, the Court is of the opinion that the following Order should be entered.

Accordingly, it is ORDERED, as follows:

1. The Motions shall be and is hereby GRANTED and APPROVED as set forth herein.
2. Debtors shall be and are hereby authorized to enter into that certain financing transaction which with E-Fire, Ltd. ("**E-Fire**"), as set forth in the Motion, *nunc pro tunc*, to the date these administratively consolidated cases were filed; provided, however, the financing provide by E-Fire and approved by this Order shall not affect the priority of any liens approved by the Court with respect to any pre-petition secured creditor and/or any administrative claim creditor and the financing provided by E-Fire will be paid as an administrative expense only after all other administrative expenses in this case have been paid in full.
3. Given the filing of the *First Amended Motion to Approve Post-Petition Loan by Insider, Nunc Pro Tunc*, this Order shall not become final for twenty (20) days after it has been entered. Any party-in-interest having an objection to the entry of this Order shall file such objection on or before twenty (20) days from the date this Order is entered.

¹ It has been represented to the Court that the *First Amended Motion to Approve Post-Petition Loan by Insider, Nunc Pro Tunc* was filed merely to clarify and correct certain typographical errors in the *Motion to Approve Post-Petition*

4. All other relief not specifically granted herein is DENIED.

END OF ORDER

Loan by Insider, Nunc Pro Tunc.

**O R D E R G R A N T I N G (A) D E B T O R S ' M O T I O N T O
A P P R O V E P O S T - P E T I T I O N U N S E C U R E D L O A N B Y I N S I D E R , N U N C
P R O T U N C A N D (B) F I R S T A M E N D E D D E B T O R S ' M O T I O N T O
A P P R O V E P O S T - P E T I T I O N U N S E C U R E D L O A N B Y I N S I D E R ,
N U N C P R O T U N C — P a g e 2**